

Message Text

UNCLASSIFIED

PAGE 01 COLOMB 00392 250633Z
ACTION EB-08

INFO OCT-02 EUR-12 EA-12 NEA-10 ISO-00 SOE-02 AID-05
CEA-01 CIAE-00 DODE-00 DOE-11 H-02 INR-07 INT-05
L-03 NSAE-00 NSC-05 OMB-01 PM-05 USIA-15 OES-07
SP-02 SS-15 STR-06 TRSE-00 ACDA-12 /147 W
-----129381 250852Z /13

R 250431Z JAN 78
FM AMEMBASSY COLOMBO
TO SECSTATE WASHDC 9361
INFO AMEMBASSY LONDON
AMEMBASSY NEW DELHI
AMEMBASSY SINGAPORE
USDOC WASHDC

UNCLAS COLOMBO 0392

DEPT PLEASE PASS TO USGS, USBURMINES, DOE

E.O. 11652: N/A
TAGS: ENRG, CE, BTIO

SUBJ: SRI LANKA OPEN TO PRODUCTION SHARING OIL EXPLORATION
AGREEMENTS

1. THE GOVERNMENT OF SRI LANKA (GSL) CONTINUES TO WELCOME FOREIGN COMPANIES INTERESTED IN OFFSHORE OIL EXPLORATION ON A PRODUCTION SHARING BASIS. TERMS OF THE AGREEMENT TO BE WORKED OUT THROUGH THE PUBLIC SECTOR CEYLON PETROLEUM CORPORATION (CPC) APPEAR TO BE EXTREMELY FLEXIBLE.
 2. CPC IS ALSO WILLING TO AWARD AN EXCLUSIVE 12-18 MONTH SEISMIC OPTION TO A FOREIGN FIRM FOR ANY ONE OR MORE OF THE OFFSHORE BLOCKS. IN RETURN, THE CONTRACTOR WOULD BE COMMITTED TO A DETAILED SEISMIC SURVEY OF THE BLOCKS CHOSEN AND TO PREPARE AN INTERPRETATION OF THE DATA FOR CPC. SUBJECT TO THE SEISMIC FINDINGS, THE FOREIGN FIRM WOULD BE EXPECTED TO FORM
- UNCLASSIFIED

UNCLASSIFIED

PAGE 02 COLOMB 00392 250633Z

A GROUP TO TAKE UP EXPLORATORY DRILLING OPERATIONS. THE COMPANY WOULD ALSO BE REQUIRED TO ENTER INTO A PRODUCTION SHARING AGREEMENT WITH CPC WITH THE PRINCIPAL TERMS HAVING BEEN AGREED UPON AT THE TIME OF THE SEISMIC OPTION.

3. SRI LANKA'S OFFSHORE AREA IS DIVIDED INTO 11 SHALLOW WATER BLOCKS (0-200 METERS) AND TWO DEEP WATER BLOCKS (200-3,000

METERS) FOR A TOTAL AREA OF ABOUT 92,400 SQ. KM. THIS INCLUDES A SHELF AREA OF ABOUT 26,800 SQ. KM UP TO 200 METERS. EXCEPT PALK BAY, WHICH IS UNDER CONTRACT TO CEYOIL, A JOINT PEXAMIN PACIFIC/CEYLON OIL CORPORATION VENTURE, THE REMAINING BLOCKS ARE OPEN TO EXPLORATION.

4. THE ONLY OFFSHORE DRILLING TO DATE HAS BEEN BY MARATHON OIL DURING JUNE-SEPTEMBER 1976 IN THE CEYOIL CONCESSION. A TOTAL OF TWO WELLS WERE DRILLED, BOTH DRY. THE FIRST WELL, PALK BAY NO. 1 REACHED A DEPTH OF 7,829 FEET AND THE SECOND, DELFT NO. 1, A DEPTH OF 5,855 FEET. UNDER PRESENT ARRANGEMENTS, CEYOIL'S CONCESSION EXPIRES JUNE 30, 1978.

5. SEISMIC WORK OF SRI LANKA DATES FROM 1967 WHEN THE FIRST REFLECTION SURVEY WAS CARRIED OUT ON AND OFFSHORE BY COMPAGNIE GENERALE DE GEOPHYSIQUE (FRENCH) IN THE NORTHERN PART OF THE ISLAND. IN 1972, TECHNOEXPORT (USSR) UNDERTOOK A REFRACTION SURVEY BOTH ON AND OFFSHORE NORTHERN SRI LANKA FOLLOWED BY FURTHER SOVIET REFLECTION SURVEYS BETWEEN OCTOBER 1974 AND DECEMBER 1975, FOR A TOTAL OF 4,882 KMS. OFFSHORE. DURING THE PERIOD MARCH-AUGUST 1976, WESTERN GEOPHYSICAL COMPANY (US) CONDUCTED A 1,947 KM OFFSHORE RECONNAISSANCE SURVEY AROUND THE ENTIRE ISLAND PLUS 1,758 MILES OF SEISMIC WORK IN THE CEYOIL BLOCK.

6. EXCEPT FOR THE 1,747 KMS OF RECONNAISSANCE SURVEY DATA,
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 COLOMB 00392 250633Z

WHICH MUST BE PURCHASED FROM WESTERN GEOPHYSICAL, ALL OTHER GEOPHYSICAL AND WELL DATA ARE AVAILABLE EITHER DIRECTLY FROM CEYLON PETROLEUM CORPORATION, COLOMBO, OR THROUGH ITS CONSULTANTS, PEXAMIN PACIFIC, INC. PEXAMIN MAINTAINS OFFICES AT 3949 ANN ARBOR DRIVAC HOUSTMN AND 85/87 JERMYN STREET, LONDON DWIY 6JD. INTERESTED U.S. FIRMS SHOULD CONTACT THE ABOVE.
WRIGGINS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM PRODUCTION, OFFSHORE DRILLING, AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 25 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978COLOMB00392
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780036-1262
Format: TEL
From: COLOMBO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780126/aaaaavhk.tel
Line Count: 102
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 06d3a1e0-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3718922
Secure: OPEN
Status: NATIVE
Subject: SRI LANKA OPEN TO PRODUCTION SHARING OIL EXPLORATION AGREEMENTS
TAGS: ENRG, BTIO, CE
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/06d3a1e0-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014